

39 CFR Part 111

New Mailing Standards for Domestic Mailing Services Products

AGENCY: Postal Service[™].

ACTION: Proposed rule.

SUMMARY: On May 28, 2021 the Postal Service (USPS®) filed a notice of mailing services price adjustments with the Postal Regulatory Commission (PRC), effective August 29, 2021. This proposed rule contains the revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) that we would adopt to implement the changes coincident with the price adjustments.

DATES: Submit comments on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Mail or deliver written comments to the Manager, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. If sending comments by email, include the name and address of the commenter and send to *PCFederalRegister@usps.gov*, with a subject line of "August 2021 Domestic Mailing Services Proposal." Faxed comments are not accepted. You may inspect and photocopy all written comments, by appointment only, at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, DC 20260. All submitted comments and attachments are part of the public record and subject to disclosure. Do not enclose any material in your comments that you consider to be confidential or inappropriate for public disclosure.

These records are available for review on Monday through Friday, 9 am - 4 pm, by calling 202-268-2906.

FOR FURTHER INFORMATION CONTACT: Jacqueline Erwin at (202) 268-2158, or Dale Kennedy at (202) 268-6592.

SUPPLEMENTARY INFORMATION: Proposed prices will be available under Docket No. R2021-2 on the Postal Regulatory Commission's Web site at www.prc.gov.

The Postal Service's proposed rule includes: Changes to prices, mail classification updates, product simplification efforts, and a few minor revisions to the DMM.

Direct Pallet Discount for Marketing Mail High Density Flats

The Postal Service is proposing to offer additional discounts to move additional USPS Marketing Mail High Density flats to direct pallets.

Flat shaped pieces on direct pallets are operationally desirable, pallets can be directly cross docked to the Destination Delivery Units (DDUs). These pallets consist of Carrier Route and finer sorted bundles such as High Density, High Density Plus, and Saturation. The nature of their make-up allows the Postal Service to avoid moving these pallets to bundle sorters within the plant, sorting the bundles, and moving these bundles back to the dock to be transported to the DDU.

First-Class Mail Nonautomation Letters Change

Currently, the rate structure for all nonautomation letters only offers one price for machinable and nonmachinable letters and a nonmachinable surcharge for pieces that are nonmachinable.

The Postal Service is proposing to offer two prices for machinable letters, AADC and Mixed AADC; and three prices for nonmachinable letters, 5-digit, 3-digit, and Mixed ADC. This structural change will reduce revenue at risk and better align prices for customers mailing nonautomation letters, machinable and nonmachinable. This change will also eliminate the nonmachinable surcharge applicable to nonautomation presort letters.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. *See* 39 CFR 111.1.

We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes if our proposal is adopted.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Accordingly, 39 CFR part 111 is proposed to be amended as follows:

PART 111 — GENERAL INFORMATION ON POSTAL SERVICE

- 1. The authority citation for 39 CFR part 111 continues to read as follows: **Authority:** 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.
- 2. Revise the following sections of *Mailing Standards of the United States*Postal Service, Domestic Mail Manual (DMM), as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

200 Commercial Mail
* * * * *
230 First-Class Mail
233 Prices and Eligibility
1.0 Prices and Fees
* * * * *
1.2 Price Computation for First-Class Mail Letters and Flats
1.2.1 Cards and Letters
Commercial First-Class Mail Presorted cards and letters are charged as follows:
[Revise 1.2.1b2 and 1.2.1b3; to read as follows:]
***b. Letters: ***
2. Machinable (Presorted): One price per presort level up to the maximum
3.5 ounces.
3. Nonmachinable: One price per presort level up to the maximum 3.5
ounces.***
* * * * *
235 Mail Preparation
* * * * *
5.0 Preparing Nonautomation Letters
* * * * *
5.3 Nonmachinable Preparation
5.3.1 Nonmachinable Bundling
[Remove current 5.3.1c entirely; re-letter current 5.3.1d to 5.3.1c; to read as
follows:1

***a. 5-digit (required); 10-piece minimum; red Label 5 or optional endorsement line (OEL); labeling not required for pieces in full 5-digit trays. b. 3-digit (required); 10-piece minimum; green Label 3 or OEL. c. Mixed ADC (required); no minimum; tan Label X or OEL. 5.3.2 Traying and Labeling [Remove current 5.3.2c entirely; re-letter current 5.3.2d to 5.3.2c; to read as follows:] ***c. Mixed ADC (required); no minimum; labeling: 1. Line 1: Use L201; for mail originating in ZIP Code areas in Column A, use "MXD" followed by city, state, and 3-digit ZIP Code prefix in Column C (use "MXD" instead of "OMX" in the destination line and ignore Column B). 2. Line 2: "FCM LTR MANUAL WKG." 240 Commercial Mail USPS Marketing Mail 243 Prices and Eligibility 6.0 Additional Eligibility Standards for Enhanced Carrier Route USPS **Marketing Mail Letters and Flats** 6.5 High Density and High Density Plus (Enhanced Carrier Route) Standards - Flats

[Add new section 6.5.3; to read as follows:]

6.5.3 High Density Carrier Route Bundles on a 5-digit Pallet (High Density-CR Bundles/Pallet Price Eligibility) - Flats

High Density - CR Bundles/Pallet prices apply to each piece in a carrier route bundle of 10 or more pieces that are palletized under 705.8.0 on a 5-digit carrier route, 5-digit carrier routes, or 5-digit scheme carrier route pallet entered at an Origin (None), DNDC, DSCF, or DDU entry.

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700 Special Standards

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705 Advanced Preparation and Special Postage Payment Systems

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8.0 Preparing Pallets

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8.10 Pallet Presort and Labeling

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8.10.3 USPS Marketing Mail or Parcel Select Lightweight - Bundles, Sacks, or Trays

[Add new second sentence to 8.10.3; to read as follows:]

For USPS Marketing Mail High Density flats price eligibility, only 5-digit pallets under 8.10.3a-c are allowed, and the pallets must be entered under None, DNDC, DSCF or DDU standards (Use "HD/HD+ DIRECT" for one route and "HD/HD+ CR-RTS" for multiple routes on the line 2 contents description).

Preparation sequence and labeling:

[Revise sub-section 8.10.3a2; to read as follows:]

2. "STD" followed by "FLTS"; followed by "HD/HD+" for High Density flats pricing eligibility; followed by "CARRIER ROUTES" (or "CR-RTS"); followed by "SCHEME" (or "SCH").

[Revise 8.10.3b2; to read as follows:]

2. Line 2: For flats and Marketing parcels (Product Samples only), "STD FLTS" or "STD MKTG," as applicable; followed by "HD/HD+" for High Density flats pricing eligibility; followed by "CARRIER ROUTES" (or "CR-RTS"). For letters, "STD LTRS"; followed by "CARRIER ROUTES" (or "CR-RTS"); followed by "BC" if pallet contains barcoded letters; followed by "MACH" if pallet contains machinable letters; followed by "MAN" if pallet contains nonmachinable letters.

[Add new 8.10.3c, re-letter current 8.10.3c - 8.10.h to 8.10.3d - 8.10.3i; to read as follows:]

- c. 5-digit carrier route, required for High Density flats pricing eligibility, permitted for bundles. Pallet must contain only carrier route mail for one carrier and same 5-digit ZIP Code. Labeling
 - 1. Line 1: city, state and 5-digit ZIP Code destination
 - 2. Line 2: "STD" followed by "FLTS"; followed by "HD/HD+

DIRECT"***

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Notice 123 (Price List)

[Revise prices as applicable.]

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We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes.

Joshua J. Hofer

Attorney, Ethics & Legal Compliance.

[FR Doc. 2021-11722 Filed: 6/1/2021 4:15 pm; Publication Date: 6/3/2021]